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State Of Indiana
Department of Environmental Management
Office Of Air Management

Ms. Janet McCabe
Assistant Commissioner
Office of Air Management
Indiana Department of Environmental Management
100 North Senate Avenue
Post Office Box 6015
Indianapolis, Indiana 46206-6015

**Re: Bethlehem Steel Corporation
Comments on Draft IDEM Rule in Response to NO, SIP Call**

Dear Janet

On behalf of Bethlehem Steel Corporation ("Bethlehem"), this letter provides the following comments on IDEM's Draft Rule in Response to EPA's NO, SIP Call.

1. **Bethlehem requests that IDEM clearly specify that Bethlehem is not required to operate continuous emissions monitors ("CEMs") to demonstrate compliance with the requirements of this rule.** Draft Rule 326 IAC 10-4-4(b) provides that each NO, budget source "shall comply with the monitoring requirements of 40 CFR 75, Subpart H." 40 CFR Part 75 generally requires subject facilities to demonstrate compliance by using CEMs, but in some cases allows subject facilities to monitor compliance using flow monitoring and emission factors determined through testing, under Appendices D and E of 40 CFR Part 75. The rule generally does not address industrial boilers, however, so it is not tailored to their emission characteristics. Bethlehem requests that the draft rule either not specify 40 CFR Part 75 monitoring requirements for non-utility boilers and indicate that CEMs are not required or specify that the alternative methodologies are available to non-utility boilers.

Bethlehem operates six boilers that would be subject to this draft rule. These boilers combust extremely clean fuels, including natural gas, coke oven gas, and blast furnace gas. Based on extensive sampling and monitoring, it is known that Bethlehem's emissions meet the targeted emission rates. Sampling and/or testing to establish emission factors, along with flow monitoring, could be used to calculate emissions. To continuously monitor the emissions from these stacks would require six CEMs with an estimated installation cost of about \$2.4 million (based upon recent CEMs experience at Bethlehem's sinter plant), plus an estimated \$600,000 continuing operating and maintenance costs, and would provide *no* environmental benefit.

2. **Bethlehem requests that IDEM consider exempting Bethlehem from this rule, based on the fact that its emission rates are well below the targeted levels, and merely require periodic testing to demonstrate compliance.** The targeted NO_x emission rate for non-utility boilers is 0.17 lbs/mmBtu. Because it utilizes very clean fuels, Bethlehem emits NO_x at a rate of approximately 0.08 lbs/mmBtu. Bethlehem suggests that IDEM consider developing a separate plan for the Bethlehem boilers which might include: (1) exempting them from the trading program, (2) establishing an ozone-season NO_x emission cap for Bethlehem's boilers calculated perhaps by adding some safety margin and growth margin to Bethlehem's highest previous ozone season NO_x emission level, (3) requiring ozone-season emission statements to confirm that the NO_x emissions from units are below the cap, and (4) utilizing any extra ton allowances allocable to Bethlehem for other Indiana policy goals.

3. **If IDEM keeps Bethlehem in the rule, Bethlehem requests that its allowances be calculated by using the NO_x SIP Call allowable emission rate (0.17 lbs/mmBtu) and that it not be forced to make further reductions as a result of its decision to utilize clean fuels.**

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Thank you for the opportunity to submit these comments. If you have any questions or need any further information, please call.

Sincerely,



Anthony C. Sullivan

ACS:naw

Via Telecopy

cc: Mr. Roger Letterman (Via Telecopy)